HARISH GANDHI BUILDING CONSULTANTS

Redevelopment

A MEMBER'S HANDBOOK

A clear, honest guide to understanding society redevelopment — your rights, the process, and the questions every member should ask.

FOR HOUSING SOCIETY MEMBERS

MUMBAI · ESTABLISHED 1983

FROM THE DIRECTOR'S DESK

Foreword

Redevelopment is one of the most important decisions a housing society will ever take. For most members it concerns their single largest asset — their home — and yet the process is too often surrounded by uncertainty, rumour and avoidable fear.

This handbook has been prepared to change that. Drawing on four decades of guiding Mumbai's societies through redevelopment, we have distilled the entire journey into clear, jargon-free guidance — so that every member, and not only the managing committee, can take part with confidence.

Our belief is a simple one: an informed member is a protected member. When you understand your rights, the sequence of the process, and the right questions to ask, redevelopment stops being something that happens to you and becomes something you shape — on your terms, and with your consent at every step.

We hope these pages serve you and your society well. Should you need guidance at any stage of the journey, we remain, as always, at your service.

Vicky Gandhi

DIRECTOR · HARISH GANDHI BUILDING CONSULTANTS LLP

WHAT'S INSIDE

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THE BIG PICTURE

The Redevelopment Journey

FROM FIRST MEETING TO YOUR NEW HOME

1. **Form a Redevelopment Committee**
   The society resolves to explore redevelopment and elects a committee to lead on members' behalf.

2. **Appoint a PMC & Legal Advisor**
   An independent consultant and advocate are appointed to protect members' interests throughout.

3. **Feasibility & Due Diligence**
   Verify FSI / DCPR potential, conveyance, title and society records to know what the plot can offer.

4. **Prepare & Float the Tender**
   A uniform tender is issued so every developer's offer is made on the same defined terms.

5. **Compare Offers & Shortlist**
   Proposals are judged on carpet area, corpus, rent, track record and quality — not headline numbers.

6. **79A SGM — Select the Developer**
   Members select a Preferred Developer by majority approval in a Special General Meeting, on record.

7. **Development Agreement & Bank Guarantee**
   Terms are finalised in a registered Development Agreement & PAAA, secured by a bank guarantee.

8. **Approvals, Vacate & Receive Rent**
   Once approvals (IOD/CC) are in hand, members shift out and rent / hardship compensation begins.

9. **Construction, Monitoring & Possession**
   The PMC monitors quality and timeline; members receive their new flats with the Occupation Certificate.

— *Every step is taken with members' knowledge, consent and approval.* —

Self-Redevelopment vs Developer-Led

TWO ROUTES · ONE RIGHT FIT FOR YOUR SOCIETY

Self-Redevelopment	Developer-Led
Control The society itself drives every major decision.	**Control** The developer drives planning and execution.
Surplus Any profit or extra flats are retained by members.	**Surplus** Shared with, or retained by, the developer.
Funding Arranged by the society, usually via bank finance.	**Funding** Fully arranged and carried by the developer.
Risk Carried by the society — strong unity is essential.	**Risk** Largely shifted onto the developer.
Involvement High; an active, committed committee is vital.	**Involvement** Lower day-to-day demand on members.
Expertise A capable, independent PMC is essential.	**Expertise** A PMC still safeguards your terms.
Pace Depends on the society's readiness and finances.	**Pace** Often quicker to mobilise and begin work.
Best for: united societies with good FSI, sound finances and the appetite to stay closely involved.	**Best for:** societies who prefer a turnkey, hands-off route with risk and funding carried by an experienced builder.

— *Either path can succeed — the right PMC makes the difference.* —

SETTING EXPECTATIONS

The Redevelopment Timeline

TYPICAL PHASES & INDICATIVE DURATIONS

1 **Planning & PMC Appointment** — 1–3 months

Committee formed, PMC and legal advisor appointed, society documents gathered.

2 **Feasibility, Tender & Selection** — 3–6 months

FSI study, tender floated, offers compared, developer selected at the 79A SGM.

3 **Agreement & Approvals** — 6–12 months

Development Agreement & PAAA registered; IOD / CC and statutory approvals obtained.

4 **Vacating & Demolition** — 1–2 months

Members shift to alternate accommodation; the old building is demolished.

5 **Construction of New Building** — 24–36 months

The new structure is built and monitored by the PMC for quality and schedule.

6 **Possession, OC & Moving In** — 2–4 months

Occupation Certificate received; members take possession of their new homes.

Indicative only — typically **3.5 to 5 years** end to end. Actual timelines depend on approvals, plot size and society readiness.

YOUR INDEPENDENT GUIDE

WHY APPOINT A PMC?

PROJECT MANAGEMENT CONSULTANT

A developer brings a full team of experts. A PMC is the society's own expert — an independent firm that represents members' interests from the first meeting to the final flat.

WHAT A PMC DOES FOR YOUR SOCIETY

Feasibility & FSI Analysis
Establishes the true DCPR / FSI potential of your plot.

Document & Title Diligence
Verifies conveyance, title and society records upfront.

Transparent Tender
Prepares a uniform tender so all offers are comparable.

Developer Comparison
Scores proposals on area, corpus, rent and track record.

Vetting the Agreement
Reviews the Development Agreement with the legal advisor.

Construction Monitoring
Supervises quality and holds the timeline to schedule.

Carpet & Corpus Check
Confirms members receive the area and funds promised.

Liaisoning with Authorities
Handles approvals with MCGM / MHADA / planning bodies.

With 40+ years guiding Mumbai societies, **HGBC** acts as your end-to-end PMC. Approach HGBC for planning and redevelopment assistance.

A MEMBER'S CHECKLIST

Choosing the Right Developer

GREEN FLAGS TO SEEK · RED FLAGS TO SPOT

The right developer is not always the one offering the highest number. Judge every proposal on credibility, capacity and what is committed in writing.

✓ Green Flags — Seek

- **Proven track record**
  A history of completed redevelopment projects.
- **MahaRERA registration**
  Its projects are registered and compliant.
- **Sound finances**
  Clear funding and credible bank tie-ups.
- **Clean litigation history**
  No troubling disputes or RERA complaints.
- **Quality construction**
  Visit and inspect their earlier buildings.
- **Fair offer**
  Reasonable carpet area, corpus and rent.
- **Bank guarantee**
  Offered willingly to secure your dues.
- **Transparent terms**
  All commitments clearly put in writing.

✕ Red Flags — Beware

- **Delayed projects**
  A pattern of stalled or late deliveries.
- **Pending litigation**
  Ongoing disputes or RERA complaints.
- **Verbal-only promises**
  Vague assurances never put in writing.
- **Pressure to sign**
  Rushing the society into quick decisions.
- **No bank guarantee**
  Reluctance to secure members' dues.
- **Too-good offers**
  Unrealistic numbers that won't hold up.
- **Poor past quality**
  Visible defects in earlier buildings.
- **Shifting terms**
  Hidden conditions that change over time.

Always verify every claim with your **PMC and legal advisor** before the society commits. Diligence today prevents disputes tomorrow.

BEFORE YOU SIGN

Understanding the Development Agreement

KEY CLAUSES EVERY MEMBER MUST CHECK

Carpet Area
Exact RERA carpet area each member receives, stated in sq.ft.

Corpus Fund
Amount per flat, payment stage and who bears it.

Rent / Alternate Accommodation
Monthly amount, yearly escalation, deposit and duration.

Project Timeline
Completion period and any defined grace period.

Penalty / Delay Clause
Compensation payable to members if the developer delays.

Bank Guarantee
Security for members' dues and project completion.

Specifications & Amenities
Materials, fittings and amenities promised, in writing.

Defect Liability
Developer's duty to fix defects after possession.

Never sign until your **PMC and legal advisor** have vetted every clause. A registered agreement is your strongest protection.

THE THREE MONEY QUESTIONS

Carpet Area, Corpus & Rent

WHAT YOU ACTUALLY RECEIVE

Carpet Area

The usable RERA carpet area of your new flat — the net area within the walls that you can actually use.

Check: equal or larger than your current flat · stated in sq.ft. in the agreement · whether your existing area is built-up or carpet, so you compare fairly.

Bottom line — insist on equal-or-more carpet area, in sq.ft., on paper.

Corpus Fund

A one-time lump sum paid by the developer as a financial cushion — for higher maintenance and outgoings in the new building.

Check: amount per flat · the stage at which it is paid · that it is clearly recorded in the registered agreement.

Bottom line — fix the amount and the payment stage in the agreement.

Rent / Hardship Compensation

The monthly amount the developer pays while you live elsewhere during construction.

Check: market-aligned amount · yearly escalation · brokerage, deposit & shifting charges · that payments are timely and guaranteed.

Bottom line — ensure rent is timely, guaranteed and rises each year.

— *Compare these three across offers — not the "extra area" headline alone.* —

YOUR STRONGEST PROTECTION

Your Rights as a Member

CONSENT, TRANSPARENCY & LEGAL SAFEGUARDS

AS A MEMBER, YOU HAVE THE RIGHT TO —

The law and your bye-laws protect you at every stage.

- **Information**
  Plans, agreements & accounts.
- **A transparent process**
  A fair, tendered developer selection.
- **Equal or larger area**
  Carpet area guaranteed in writing.
- **Rent & corpus**
  Secured by a bank guarantee.
- **Fair treatment**
  Free from pressure or coercion.
- **Your vote**
  On the plans and the agreement.
- **Reject or replace**
  Modify terms or change the developer.
- **A registered agreement**
  A registered Development Agreement & PAAA.
- **Timely possession**
  Of your completed new flat.
- **Grievance redressal**
  Before the Registrar or the courts.

Major decisions need approval by the required majority of members at a properly convened **SGM**, as prescribed under the Government of Maharashtra's redevelopment directives and your society's bye-laws.

CLEARING THE CONFUSION

MYTHS VS FACTS

WHAT MEMBERS FEAR · WHAT IS ACTUALLY TRUE

✕ THE MYTH	✓ THE FACT
"Selecting a developer means handing over my flat." The moment a developer is chosen, my home is gone.	**Selection only lets planning begin.** Ownership stays yours until a registered agreement is signed after members' approval.
"I'll be left homeless during construction." I'll have nowhere to live for years.	**You receive rent from the day you vacate.** Rent / alternate accommodation is paid until you get your new flat.
"My new flat will be smaller." I'll end up losing carpet area.	**Your area is fixed in writing.** You get equal or larger RERA carpet area, defined in the agreement — never less.
"Once selected, we're stuck with this developer." There's no way back.	**Members stay in control.** You can reject plans, renegotiate, or replace the developer as per law and resolutions.
"I'll have to sign whatever I'm given." Members have no real say.	**Nothing is final without your vote.** Plans, terms and the agreement need majority approval in the SGM.
"Corpus and rent are just verbal promises." The builder can back out anytime.	**They are legally secured.** Corpus, rent and timelines are backed by a registered agreement and bank guarantee.

— *An informed member is a protected member.* —

Our Approach

FOUR COMMITMENTS TO EVERY SOCIETY

Behind every successful redevelopment is a disciplined firm. These four commitments define how we protect your interests at every stage.

01

Process Control

DISCIPLINE

A stage-gated process where nothing advances without completion, documentation and approval.

02

Risk Management

PROTECTION

Every risk anticipated in advance and neutralised with a clear, contractual safeguard.

03

Governance

FAIRNESS

Transparent, accountable conduct that treats every member equally and on the record.

04

Methodology

PREDICTABILITY

A proven, repeatable method that removes guesswork and delivers a predictable outcome.

COMMITMENT ONE · DISCIPLINE

PROCESS CONTROL

A DISCIPLINED, STAGE-GATED PROCESS

No stage of your redevelopment proceeds until the previous one is complete, documented and approved. Each gate is a checkpoint that protects the society.

1 **Planning & Feasibility**
Committee formed, PMC appointed, FSI feasibility and society documents established.

GATE — REVIEW & APPROVAL TO PROCEED

2 **Tender & Developer Selection**
Uniform tender floated, offers compared on merit, developer selected by members at the SGM.

GATE — REVIEW & APPROVAL TO PROCEED

3 **Agreement & Approvals**
Registered Development Agreement, bank guarantee and statutory approvals (IOD / CC) secured.

GATE — REVIEW & APPROVAL TO PROCEED

4 **Execution & Handover**
Construction monitored for quality and timeline; possession handed over with the Occupation Certificate.

COMMITMENT TWO · PROTECTION

Risk Management

EVERY RISK ANTICIPATED · EVERY FEAR NEUTRALISED

Members' concerns are real — and each one has a clear, contractual answer. We identify every risk in advance and bind a safeguard to it.

THE CONCERN	THE HGBC SAFEGUARD
Developer may delay	**Bound timeline** Defined completion period, penalty clause and continuous site monitoring.
Developer may default	**Financial security** Bank guarantee, staged approvals and mandatory MahaRERA registration.
Rent may stop	**Secured rent** Rent, deposit and yearly escalation fixed in the registered agreement.
Less area than promised	**Area in writing** RERA carpet area defined in the agreement and independently verified.
Hidden or unfair terms	**Legal vetting** Independent advocate scrutinises every clause before any member signs.
Poor construction quality	**Quality assured** Fixed specifications, on-site supervision and a defect-liability period.

COMMITMENT THREE · FAIRNESS

GOVERNANCE

TRANSPARENT, FAIR & ACCOUNTABLE

Fairness is not a promise — it is built into how every decision is taken. Our governance rests on six principles that protect every member equally.

Independence
We act only for the society, never for a developer.

Equal Treatment
Every member, the same terms and the same voice.

Documented Decisions
Every key decision minuted and kept on record.

Transparency
Open books and accessible information at every stage.

Uniform Tender
All developers bid on one identical, fair basis.

Member Approval
Nothing proceeds without the majority's vote at the SGM.

COMMITMENT FOUR · PREDICTABILITY

METHODOLOGY

A PROVEN METHOD · A PREDICTABLE OUTCOME

A structured, four-phase method turns a complex journey into clear, sequential steps — so members always know what has been done and what comes next.

PHASE 01 DEFINE	PHASE 02 SELECT	PHASE 03 EXECUTE	PHASE 04 DELIVER
Understand exactly what your plot can deliver.	*Choose the right partner on a fair, level basis.*	*Lock in terms and build to specification.*	*Hand over a completed home, on agreed terms.*
• Feasibility & FSI study	• Uniform tender floated	• Registered agreement	• Possession & OC
• Document & title audit	• Developer pre-qualification	• Bank guarantee in place	• Final carpet-area check
• Conveyance check	• Comparative scoring	• Statutory approvals	• Corpus & accounts settled
• Member objectives set	• Presentation to members	• Vacating & rent begins	• Defect-liability cover
• Plot & rule analysis	• Selection at 79A SGM	• Monitored construction	• Society handover
✓ **Feasibility confirmed**	✓ **Developer appointed**	✓ **Construction underway**	✓ **Keys handed over**

— *A structured method removes guesswork — members always know what comes next.* —

Redevelopment, Done Right.

"Redevelopment is a journey we take together. Your participation, your feedback and your approval are what shape the future of your home."

HARISH GANDHI BUILDING CONSULTANTS

ARCHITECTURAL & BUILDING CONSULTANTS · SINCE 1983
MUMBAI · FOR PLANNING & REDEVELOPMENT ASSISTANCE, APPROACH HGBC